



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

EMPLOYMENT TRENDS

Seaport's seasonally adjusted unemployment rate increased in April to 4.5 percent, up five-tenths of a percentage point from March's rate of 4.0 percent, as shown in Seaport Table 1. In April 2001, the rate was 4.4 percent. The *Civilian Labor Force* in April 2002 increased by only 20 persons from the previous month and only slightly increased, by 280 persons, from April 2001. Employment in the first four months of 2002 has remained flat with very little growth.

In April, Seaport's *Nonfarm Payroll Jobs* increased by 170 jobs from March 2002, but decreased 60 from April 2001. The increase was because of a small increase in *Trade* employment. Recently, jobs have been lost in *Trade*, but in April a net gain was recorded in both wholesale and retail sectors. A Home Depot store opened in Lewiston but most of the new jobs for the month came from existing businesses hiring a few employees as needed. Compared to last year, significant losses occurred in *Social Services*, *Business Services*, and *Membership Organizations*.

AREA DEVELOPMENTS

Clearwater County

- The Orofino IGA Supermarket was sold to the McGregor family who owns an IGA in St. Maries. About 18 of the 40 employees were laid off; 11 employees were given the option to stay in jobs with the same pay but chose to leave, said Archie McGregor, spokesperson. "We didn't cut any wages," he said. Former owner Paul Pippenger still owns the IGA building and the land it occupies. The McGregors are renting the property from him. The sagging economy in Clearwater County wasn't a factor in the decision to sell, Pippenger said. Clearwater County has had one of the highest unemployment rates in Idaho since the closure of Potlatch Corporation's Jaype plywood plant near Pierce. With fewer people on shift work, Pippenger cut the over-night hours of the store and operated from 6 a.m. to 11 p.m. "There was

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho, and Asotin County, Washington

	April 2002*	March 2002	April 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	34,460	34,440	34,180	0.1	0.8
Unemployment	1,550	1,390	1,490	11.5	4.0
% of Labor Force Unemployed	4.5	4.0	4.4		
Total Employment	32,910	33,050	32,690	-0.4	0.7
Unadjusted					
Civilian Labor Force	34,560	34,670	34,270	-0.3	0.8
Unemployment	1,580	1,660	1,510	-4.8	4.6
% of Labor Force Unemployed	4.6	4.8	4.4		
Total Employment	32,980	33,010	32,760	-0.1	0.7
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	25,450	25,280	25,510	0.7	-0.2
Goods-Producing Industries	4,940	4,900	4,980	0.8	-0.8
Mining & Construction	1,230	1,170	1,300	5.1	-5.4
Manufacturing	3,710	3,730	3,680	-0.5	0.8
Food Processing	70	70	100	0.0	-30.0
Lumber & Wood Products	650	690	680	-5.8	-4.4
Paper Products	1,680	1,680	1,650	0.0	1.8
All Other Manufacturing	1,310	1,290	1,250	1.6	4.8
Service-Producing Industries	20,510	20,380	20,530	0.6	-0.1
Transportation	1,350	1,350	1,340	0.0	0.7
Communications & Utilities	270	280	280	-3.6	-3.6
Wholesale Trade	920	910	960	1.1	-4.2
Retail Trade	4,910	4,780	5,000	2.7	-1.8
Finance, Insurance, & Real Estate	1,370	1,370	1,400	0.0	-2.1
Services	6,610	6,530	6,750	1.2	-2.1
Government Administration	2,710	2,680	2,560	1.1	5.9
Government Education	2,370	2,480	2,240	-4.4	5.8
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

some downturn," Pippenger said. "We laid off a few people, but not many. It was still manageable." Pippenger said he carefully considered the sale of the store, rejecting an offer from a major chain. He is a close friend of the McGregors, whom he has known for 15 years through IGA contacts. "IGA's slogan is Home Town Proud and they (McGregors) will honor that." The hope was the McGregors would keep all the crew, Pippenger said. "That was what I intended. I gave them all high recommendations. But being realistic about it, I wasn't totally shocked. When somebody borrows that much money and starts their own business, they want their own management," he said. The McGregors plan to make the store more efficient, with lower prices to compete with Lewiston stores. "Our plan is to earn the customers' business," McGregor said. "We're not here to take as much as we can from the community. We plan on investing back into the community."

Idaho & Lewis Counties

- A business to watch in Idaho County is Welding and Steel, Inc., a Grangeville-based manufacturer employing 13 full-time employees and one part-time employee in constructing structural steel fabrica-

tions. The business started in 1998 in Lewiston where the company rented a vacant field to complete its first project. The business later moved to Cottonwood before finally relocating to Grangeville about one and one-half years ago. Welding and Steel, Inc., has worked on projects throughout the western states, ranging from schools to supermarkets to stadiums. "Usually we try to cater to 150,000 lb. projects," said Ryan Uhlenkott, president. However, the company currently is finishing a 600,000 lb. project — the steel framework for a shock physics facility — for Washington State University. Ninety percent of their business is in Oregon and Washington, Uhlenkott said, with 60 percent of that in Washington. Grangeville has been a good location for the company, according to Uhlenkott. Despite transportation costs that are higher than their competitors, the Grangeville area offers lower end operating costs, which is a big advantage, Uhlenkott said. "This allows us to compete with the outside world, bringing dollars from other states to Grangeville. The key is to surround yourself with competent people." For example, his welders are all certified by the Washington Association of Building Officials (WABO), and also certified to work on projects in Spokane County, Coeur d'Alene, and Portland. In the long term, Uhlenkott wants to diversify, expanding into constructing truss and joint systems, working with specialty metals such as stainless steel and aluminum, and doing projects for other steel contractors. More immediately, by next year he plans to begin offering on-site construction of the fabrications the company produces.

Latah County

- AmericanWest Bancorporation, headquartered in Spokane, has acquired Bank of Latah in a merger. Both banks are based in small communities in Washington and Idaho. AmericanWest will retain all employees and executives of the Latah Bancorporation. "The Bank of Latah has been around a lot longer than we have, but we share the same priorities," said Jackie Barnard, assistant vice president and corporate secretary of investor relations for AmericanWest Bancorporation in Spokane. Bank of Latah was founded in 1890 in Latah, Washington, which now has a population of about 200. It operates eight offices in Washington and Idaho, including at Tekoa, Oakesdale, Palouse, Colfax, Orofino, and St. Maries. AmericanWest, formerly United Security Bancorporation, was founded in 1983 in Chewelah, Washington, with a population of about 2,000. It has 33 branches — 32 in central and southeastern Washington and one in Idaho. Like the Bank of Latah, it focuses on farmers and small business owners. Eventually, the Bank of Latah will change its name, but there is no specific time set.

- Latah County Grain Growers, a grain cooperative, wants to turn its prime real estate into a cash crop. The cooperative announced plans in April to build two 25,000-square-foot buildings with office and retail space along Sixth Street in Moscow, from Taco Time to the corner of Jackson, where the organization's offices are located. The project cost is estimated at between \$4.5 to \$5 million. "We've been talking about doing something (with this property) for a long, long time," said Dave Strong, Latah County Grain Growers manager. "The original purpose (grain storage) was fine, but in today's market this is not the highest and best use." The cooperative is partnering with Pullman developer Duane Brelsford Jr. for the project, which will be called University Pointe. The first phase of the Latah County Grain Growers project will likely begin this summer and be completed next spring, though construction is contingent on commitments by tenants to lease 40 to 50 percent of office and retail space. The second phase will begin once the first building opens and 80 percent of the office and retail space in that building is leased. Four potential commercial tenants have expressed interest in the first two-story building, including a large coffee shop, a hair salon, a restaurant, and another food service.

Nez Perce and Asotin Counties

- A recently opened incubator in Asotin County is almost full. The project is a collaborative effort between the Port of Clarkston and the U.S. Department of Agriculture. Express Sewer and Drain Cleaning, First Choice Flooring, and Safety Sales, a division of Med Tec, have occupied three of four slots in the 10,000-square-foot building. More than half of the \$396,000 in construction costs was paid for with a \$200,000 rural business enterprise grant from the U.S. Department of Agriculture. The hope is that turnover will be high at the incubator, with businesses growing quickly and moving into larger quarters, said Rick Davis, manager of the Port of Clarkston. "We want to get these new businesses up and stable and get them strong; and then they can go out into the community, build business, and hire more people." The lease rates are the same as those charged at other Port of Clarkston properties — 25 to 30 cents a square foot per month, plus a 12.84 percent leasehold tax instead of property tax. Occupants are expected to be businesses that will make less than \$1 million in sales in the first year. Combined, the businesses in the incubator employ 16 people full time, not including the owners.

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